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17 CR 630 (ER)

Conference

Before:

District Judge

## APPEARANCES

Assistant United States Attorneys

DAVID M. GARVIN

Ronald Shimko, FBI

1 THE COURT: This is Judge Ramos. Good morning,  
2 everyone.

3 (Case called)

4 THE DEPUTY CLERK: Counsel, please state your name for  
5 the record.

6 MR. FOLLY: Good morning, your Honor. This is  
7 Nicholas Folly speaking. We have Nicholas Folly, Christopher  
8 DiMase, and Julieta Lozano for the United States. And we also  
9 have Special Agent Ronald Shimko of the FBI who is also on the  
10 phone.

11 MR. DEVLIN-BROWN: This is Arlo Devlin-Brown for  
12 Mr. Scott. And I'm joined by David Garvin, also for Mr. Scott.  
13 And Katri Stanley from Covington is also on the line.

14 THE COURT: Mr. Devlin-Brown, do you want to make a  
15 representation concerning Mr. Scott's appearance?

16 MR. DEVLIN-BROWN: I do, your Honor. In light of his  
17 current situation of incarceration in Florida, we've waived his  
18 appearance for today.

19 THE COURT: Who else is on? Anyone from pretrial or  
20 probation?

21 MR. MOSCATO: Yes, your Honor. This is John Moscato  
22 from U.S. Pretrial Services.

23 THE COURT: And I take the other participants are  
24 members of the Fourth Estate. Okay.

25 Mr. Devlin-Brown, this is your application. I'll hear

1 you.

2 MR. DEVLIN-BROWN: Thank you, your Honor.

3 I want to start with the notion that the government  
4 has put forward in its filings and actually, Judge, put forward  
5 in similar language in other cases they've recently filed in  
6 this district that the Bureau of Prisons is "prepared to handle  
7 the risk."

8 I just think that's facially absurd. No one is  
9 prepared to handle the risks of this upcoming and ongoing  
10 pandemic. Certainly the public health system and private  
11 health system in New York City and across the country is being  
12 strained, and the idea that the Bureau of Prisons is going to  
13 provided adequate care or be able to resist the devastating  
14 impact of the spread of this disease because they have a policy  
15 manual they created some years ago -- it just doesn't pass the  
16 straight-face test.

17 This is the same Bureau of Prisons that couldn't get  
18 the heat to work for weeks at a time in the freezing winter  
19 last year. MCC has its own issues. It's been on lockdown.

20 The decision that your Honor makes is going to have  
21 consequences because this disease is going to spread within the  
22 Bureau of Prisons. It already has. These are close quarters.

23 Unless the staff of the Bureau of Prisons is going to  
24 be prevented from returning home, they're going to bring it  
25 into the prison system. Even to the extent that the

Bureau of Prisons is able to address it, it's already posing really severe problems on our ability to communicate with our client. And I'm sure it's going to for other lawyers as well.

The FDC in Miami has just gone on to a 24-hour lockdown. They've been on a modified lockdown until recently. There are no legal visits. Legal calls are hard to arrange. And we have a lot of work to do of course to prepare for sentencing, as well as the Rule 29 reply.

To step back a second, your Honor, the fact that the Bureau of Prisons isn't really prepared to handle COVID doesn't provide recourse to all defendants. It's not a get-out-of-jail-free card.

The vast majority of defendants in the prison system have been sentenced already by the courts. There is no real remedy, short of compassionate release or other programs, to assist those inmates.

But this is a different case. This is an inmate who is only there because his bail was canceled and because he's waiting for sentencing. This is a place where the Court can make a difference.

And I think the analysis really is sort of straightforward. What damage will incarcerating Mr. Scott have on his health, number one, measured against what the risk of flight is.

Let me take both of those briefly, your Honor. Not to

1 repeat the arguments in our letters, but on flight risk, I  
2 would submit there really is no flight risk. He has  
3 consistently appeared in court every time he's been directed  
4 to, including surrendering when your Honor directed him to  
5 surrender to authorities in Miami.

6 And the government's arguments about his use of  
7 access, which we can get into, and there are responses we have  
8 to some of the things they say and the like. But I think those  
9 arguments are in a lot of ways besides the point at a time like  
10 this.

11 They might have had more weight before. But at a time  
12 like this, really you look at those arguments with respect to  
13 whether they suggest that Mark Scott is not going to obey a  
14 court order to surrender to prison if he's sentenced to prison  
15 ultimately, and they just don't suggest that at all.

16 I think the best example, your Honor, is someone who  
17 is looking to flee does not, like Mr. Scott did, transfer  
18 \$300,000 from a Cayman Islands bank account to the U.S. to  
19 protect real property in the U.S. that the government is  
20 seeking to seize.

21 One can quibble, and the government has some valid  
22 criticisms to some extent about these assets. But there's  
23 nothing about his use of these assets that poses a risk of  
24 flight.

25 And posting a lien on his home is more than adequate

1 security to make up for the loss of the \$750,000 that Marietta  
2 Halle, his former business partner and friend, has had returned  
3 to her.

4           There is at least \$600,000 in equity above and beyond  
5 what the government alleges is linked to OneCoin. So that's  
6 substantial. But I think it's a weightier asset in a lot of  
7 ways, your Honor, because Mr. Scott's wife and child live  
8 there.

9           The government may say they would forfeit it anyway  
10 and try to collect a million dollars from it. But in Florida  
11 in particular, it's very difficult to forfeit property where  
12 there's a spouse who lives there. And this would make a real  
13 difference with Mr. Scott's wife signing away her interest in  
14 this property to the extent that Mr. Scott should flee.

15           She'd also surrender her passport by the way. So  
16 that's flight, and I don't really think you have any  
17 significant flight risk. Then you measure it against the  
18 health risk. These are very serious risks.

19           Your Honor, one thing we got recently and forwarded to  
20 you this morning was Bureau of Prisons data. That confirms  
21 that Mr. Scott does have a heart condition. Actually, it's a  
22 heart condition that hadn't been diagnosed before, atrial  
23 fibrillation, and he needs more work done on that and further  
24 evaluation.

25           To the extent the government is quibbling that his own

1 doctor letters are rather brief, these are letters from a  
2 practicing physician who was treating him, not a paid expert  
3 who can write lengthy letters.

4 To the extent they're not more fulsome, that's because  
5 the diagnostic testing that Mr. Scott was going to undergo was  
6 scheduled to occur and then he was sent to prison. So there is  
7 no question that he is a high-risk patient.

8 There's new data from WHO suggesting that cardiac  
9 patients with underlying cardiac conditions are at a  
10 significantly higher risk than the average population for  
11 suffering complications from this disease.

12 Your Honor, I'm happy to answer any of the Court's  
13 questions. And I'd like to respond, to the extent there are  
14 new points raised by the government.

15 But I think this really is a point where you can  
16 balance risk of flight, which is minimal, to the damage to his  
17 health that continuing incarceration will do right now. And we  
18 submit that your Honor should release him on bail. He can get  
19 the medical workup he needs.

20 And then if and when your Honor does sentence him to  
21 time in prison, hopefully it will be a time when this pandemic  
22 has passed and he'll be able to go to a facility that's able to  
23 treat him. That's all the defense is asking for here.

24 THE COURT: Mr. Folly or Mr. DiMase.

25 MR. FOLLY: Thank you, your Honor. This is Nicholas

1 Folly.

2 Mr. Scott's actions throughout this case leave no  
3 doubt that if he is released on bail, he's going to continue to  
4 disregard court orders. He's going to continue to commit  
5 crimes. That's what he's done. His actions -- the proof is in  
6 the pudding as they say.

7 He's altering on this risk of flight. So I just want  
8 to address those issues and also respond to some of the things  
9 that Mr. Devlin-Brown just said.

10 Just for context, as we all know, this is a lawyer.  
11 Mr. Scott is a lawyer. He got charged for laundering \$400  
12 million. \$50 million of that money went straight into his  
13 pocket. He lied to federal agents when he was arrested.

14 And then after all of that -- after being charged,  
15 after being brought to court, after being in jail for a brief  
16 period of time -- he continued to commit serious federal  
17 felonies while on bail. That's undisputed.

18 These arguments that the defense is making are now  
19 about the court and about money. \$300,000 was used by Scott to  
20 renovate his property. These are not arguments suggesting that  
21 he did not do those things. They are arguments that are  
22 attempting to justify why he did them.

23 The bottom line is he used in excess of \$500,000 of  
24 OneCoin proceeds that were subject to multiple court orders  
25 while on bail for whatever he chose to use them for. Those are



serious crimes.

He can get charged based on the evidence that the government showed at trial showing that he knew that this money was directly derived from the OneCoin fraud scheme. He could get charged separately for these crimes.

These aren't violations of the bail conditions in which he went to the store to get some milk without permission. These are serious offenses he committed while being subject to his bail conditions.

And then he got convicted at trial and continued to use assets under the forfeiture without any regard to the orders of this Court, for example, mortgaging properties, the Vale Avenue property that was subject to forfeiture.

So his actions show this is a defendant who is going to manipulate the system, violate the rule of law, lie to federal agents, defy court orders pertaining to seized assets, all in order to benefit himself and to avoid the consequences of his actions in this case.

Scott even made false promises to his own suretor and induced her to pay another \$500,000 on top of the \$750,000 that Scott had received from her to secure his fund which started this case.

And it's telling that his own close friend, who was his suretor who once had total trust in Scott and who was willing to front him \$750,000, now has no confidence in him.

1 She has no confidence that he will return to court and  
2 show up and is no longer willing to stand by that bond.  
3 Your Honor, as a result of that, rightfully released her from  
4 that obligation.

5 It's also telling that that same woman believes she  
6 was ripped off by Scott for an additional \$500,000 and has just  
7 been told repeated lies by Scott about the money that Scott  
8 owes her.

9 Then you have on top of that the fact that Scott is a  
10 dual citizen of Germany. He has access to offshore financial  
11 accounts. There is no question that he's an enormous flight  
12 risk.

13 The moment he decides that he is better served by  
14 fleeing than continuing to remain in the United States and  
15 plead his case, the evidence suggests that he will do exactly  
16 that. There is no reason for him not to.

17 He's been convicted of two extremely serious crimes.  
18 He faces a guideline sentence of 50 years. He's in the process  
19 of being disbarred. His reputation has been tarnished. So the  
20 moment he decides he's better off living the rest of his life  
21 in Germany where he doesn't face an enormous sentence, he's  
22 going to do that.

23 And now he's also been in jail and seen what that's  
24 like, again, at the beginning of this case up until now. So  
25 that simply adds to the risk of flight. It does not mitigate

1 the risk of flight.

2 So it's not simply risk of flight. It's also  
3 financial danger. I also articulated that. That's one of the  
4 grounds that your Honor found when we had the original bail  
5 hearing is that he poses both a financial danger to the  
6 community through his willingness to dissipate assets subject  
7 to court orders and also an enormous risk of flight.

8 The final point on that is that it's totally  
9 inappropriate for Scott to try to use property that was paid  
10 off primarily with OneCoin fraud proceeds as security for his  
11 loan. This is property that is subject to forfeiture.

12 Frankly, all of Scott's personal property is subject  
13 to forfeiture as substitute assets. Given that he laundered  
14 \$400 million as the government clearly showed at trial, that is  
15 the amount of money that is going to be subject to forfeiture,  
16 and that's by statute and also under clear Second Circuit  
17 precedent.

18 So any of these personal assets, whether or not they  
19 were purchased entirely with OneCoin fraud proceeds, would  
20 still be subject to forfeiture as substitute assets.

21 So the notion that Mr. Scott should be allowed to use  
22 a property that is the subject of forfeiture as the security  
23 for his bond is totally inappropriate. That would not address  
24 any risk of flight. That is essentially letting him put up  
25 OneCoin victim proceeds as security for his bond which is

1 totally inappropriate.

2           The last point, your Honor, is all of this obviously  
3 has to be weighed against the situation with COVID-19 and  
4 Scott's health. And that's where the real issue is because  
5 obviously we're not in a position -- we cannot let every  
6 defendant out of jail. Each case must be taken in turn. And  
7 the question is whether Scott should be let out and on what  
8 record he should be let out on.

9           What we have in front of us are two doctors' letters,  
10 his primary care physician, that have limited explanation about  
11 much of anything. They state that Scott has some serious  
12 health issues.

13           They provide no explanation of whether there are  
14 specific risks that cannot be addressed by the BOP while Scott  
15 is incarcerated. They include no specific explanation of why  
16 Scott is high risk.

17           A couple of sentences in a doctor's note from a  
18 primary care physician is simply not an adequate showing for  
19 the extraordinary relief that Scott is asking for which is to  
20 be let out on bail with essentially no security, despite the  
21 fact that he has committed serious felonies while on bail,  
22 despite the fact that he is an enormous flight risk.

23           So for all of those reasons, the motion for  
24 reconsideration should be denied.

25           THE COURT: Mr. Devlin-Brown, do you wish to add

1 anything? Mr. Devlin-Brown?

2 MR. DEVLIN-BROWN: Sorry, your Honor. I just wanted  
3 to briefly address a couple points that Mr. Folly made.

4 Mr. Folly has said repeatedly that Mr. Scott violated  
5 multiple court orders by using these assets. I think he's,  
6 again, overstated what's gone on here.

7 Let me talk specifically about his reference to the  
8 Vale Avenue property that Mr. Scott issued a mortgage on for  
9 200 something thousand dollars to the contractor who, on his  
10 own, completed work on the property to prevent it from being  
11 damaged in the middle of construction. So there were not  
12 multiple court orders with respect to that property. In fact,  
13 there were no court orders.

14 I still haven't heard from the government why they did  
15 not include that property in a post-indictment restraining  
16 order as they did with numerous other assets that they wanted  
17 to put Mr. Scott on notice of that he could not have any access  
18 to. They did not do that with the Vale Avenue property.

19 And that action Mr. Scott took -- again, would it have  
20 been a better practice to consult the government to try to  
21 protect that asset? Yes. But what he did there does not  
22 suggest a risk of flight, and it does not pose losses to  
23 OneCoin victims.

24 The contractor who did the work noted the property was  
25 purchased for approximately \$3 million and is worth now

1 approximately \$5 million. There were specific numbers he  
2 referenced. But essentially it's increased by \$2 million  
3 thanks to the efforts the contractor made to complete the  
4 property.

5 A couple of other things to address, your Honor.  
6 Again, there's a reference to a supposed fraud on Marietta  
7 Halle. I want to make a couple points there. First of all,  
8 she was not a signer of the bond. The bond was signed by two  
9 financially responsible persons. She simply put up \$750,000 of  
10 her own money.

11 THE COURT: You say that like it's nothing. She put  
12 up \$750,000 of her own money.

13 MR. DEVLIN-BROWN: It's not nothing, your Honor. It's  
14 not nothing at all. But what it means in terms of what would  
15 need to be done to make the bond whole again -- it's not that  
16 there needs to be new signers. It's that there's something  
17 that needs to replace the security there.

18 What went wrong between Mr. Scott and Ms. Halle is  
19 very complicated. They were business partners, but again the  
20 government repeats that Mr. Scott repeatedly told her lies  
21 about money owed. And there's just no evidence of that.

22 This \$500,000 was borrowed not so he could send it  
23 offshore to run away but to pay for legal fees. And he  
24 provided explanations when he made that arrangement with  
25 Ms. Halle as to what sources of funds he hoped to have to pay

her back. The government hasn't shown any evidence that these were fraudulent statements or untrue at the time.

So I don't think the Court can really take anything away from the interactions with Ms. Halle, other than that she's no longer willing to put up the cash and therefore we should look at what other security could substitute for it.

Again, I think the government is overstating the challenges with putting up his house that he and his wife jointly own that was purchased, by the way, before his involvement with OneCoin, and it has equity in it independent of OneCoin.

The government's position that Mr. Scott can't use any substitute assets either would make him unable to have funds to live on or to do anything in terms of posting a bond, and that's just not the law. The assets that they've identified as proceeds of an offense -- they can put restraints on those, but substitute assets they cannot.

Just the last point, your Honor, which I think is important, is the risk of flight to Germany. Your Honor, Mr. Scott was born in Germany and grew up there as a kid. His whole life is here in the United States.

Could he somehow, even though it's really hard to travel these days, somehow magically get to Germany with no passport bringing his wife and child or abandoning them forever?

1           You can never say, your Honor, there's no risk of  
2 anything. But I submit that the risk of that, based on  
3 everything we've seen from Mr. Scott, including his commitment  
4 to fighting this case through the legal system and his  
5 willingness to self-surrender when your Honor ordered it  
6 before, that the risk of him disappearing to Germany is much  
7 less than the risk of him suffering serious health  
8 complications because he's in pretrial detention where he  
9 doesn't need to be before he's sentenced. That's the balance  
10 your Honor has to strike, and I think the answer is that he  
11 should be released.

12           I just want to give Mr. Garvin an opportunity, since  
13 we're not together, in case I've missed anything, if that's all  
14 right with your Honor.

15           THE COURT: Sure.

16           Mr. Garvin.

17           MR. GARVIN: Thank you, your Honor. Good morning.  
18 Your Honor, there are only a few minor items I'd like to touch  
19 upon.

20           The first is that through CorrLinks, Mark Scott had  
21 very limited ability to communicate with Mr. Arlo Brown and  
22 myself. And in those communications, he has told us that he  
23 still has not received medicines that he requested for  
24 controlling his blood pressure and, in addition, that the  
25 guards now, to protect the guards from getting the virus, have



gone to a skeleton staff.

So in addition to a complete lockdown where they're only allowed out of their cells during meals -- the meal-time threat of spread is there anyway. Part of the reason why they've gone to a complete lockdown is to enable the Bureau of Prisons to go to a skeleton staff to decrease the risk to the guards.

Shifting to the condo, Mr. Folly argued that there is no equity that can be used in the condo by Mr. Scott. I don't believe that is accurate because when the government is talking about substitute assets, those assets, the substitute amount, becomes vested at the time of conviction.

In this particular case, that condo was purchased prior to the case being commenced. In the state of Florida where there is tenants by the entireties, it is further complicated.

Even without that complication, Lydia Scott, Mark Scott's wife, has a claim for 50 percent of the equity in that home. And that is the equity that we seek to use to replace Marietta Halle's \$750,000 that she posted.

I don't believe that it is something that can be prohibited by the government's claim for substitute assets. And I do believe the case law is Second Circuit case law that establishes that.

So for those reasons, your Honor, I do believe that

1 this really is a situation of risk of flight versus risk of  
2 health. In Mr. Scott's condition with his heart condition and  
3 all of the other factors and the heart condition being  
4 confirmed by the medical staff at the FDC, if Mr. Scott is  
5 unfortunate enough to contract the COVID virus at this stage,  
6 it will not be simply a matter of being ill for a period of  
7 time. It is highly likely that it will be life threatening.

8 Now the question then becomes if we came back here 30  
9 days from now and we said unfortunately Mr. Scott has come down  
10 with the COVID virus, with the benefit of hindsight, what would  
11 we have done differently. And I think the answer would be  
12 resoundingly we should have let him go home under an order that  
13 he's not to leave his premises when we had the opportunity.

14 Judge, this is a case where everyone wishes that we  
15 would have taken this thing more seriously eight weeks ago and  
16 had taken steps then that would have saved lives today. I just  
17 would implore the Court not to throw Mark Scott on that pile.  
18 Thank you.

19 THE COURT: Thank you, all.

20 First of all, I just want to note that I believe that  
21 Mr. Scott richly earned his admission into federal custody. I  
22 find that the various excuses/explanations that are provided  
23 concerning his use of assets which he knew or should have known  
24 were subject to forfeiture, especially being the very  
25 sophisticated lawyer that he is, just ring very, very hollow.

1 I thought it was important that Ms. Halle, despite the  
2 fact that she was not a signatory on the bond, that she  
3 provided \$750,000, which was a very important part of why he  
4 was released in the first place.

5 I do find it important that she lost confidence in  
6 Mr. Scott for reasons sufficient to herself. She knows him  
7 better than any of us do. I had no difficulty finding that he  
8 should have been incarcerated the last time we were together.

9 Things have changed. A very important part of that is  
10 the fact that all of us are sitting by ourselves in various  
11 offices, even as we have this conference concerning Mr. Scott.

12 The COVID-19 is now in the various federal facilities,  
13 including the ones in New York. Mr. Scott is a sick man. I  
14 don't doubt the fact, given his respiratory issues with sleep  
15 apnea and atrial fibrillation, that he is a seek individual and  
16 at greater risk of becoming seriously ill if he were to  
17 contract the virus, not to mention his age.

18 And notwithstanding I'm sure the very valiant efforts  
19 of the Bureau of Prisons, there's only so much social  
20 distancing that one can do while in prison. So that does  
21 fundamentally alter the calculus of whether one is in custody  
22 or not.

23 And I find on balance, that Mr. Scott ought to be  
24 released on home incarceration, at least for a period of 60  
25 days. And we can re-examine where we are then because of his

heightened risk of serious medical complications if he were to contract the virus.

So I will release him to 24-hour home incarceration and using the guidance that's been provided by our probation and pretrial services officers. That will be enforced by location monitoring technology as determined by pretrial services, and he may only leave his home for necessary medical services.

All other leave from the residence must be submitted through defense counsel for the Court's approval. He shall be permitted to self-install the monitoring equipment under the direction and instruction of pretrial services. He shall not be released until all conditions are met, including the availability of location monitoring equipment.

This order shall be effective for a period not to exceed 60 days, at which time the need for continued release under the compelling reason that release was ordered shall be revisited by the Court.

Within two weeks of his release, he must purchase or secure an iPhone with FaceTime capabilities for remote or virtual monitoring by pretrial services.

When home visits are scheduled by pretrial services, to the best of his ability, Mr. Scott shall comply with pretrial services requests to remove all cohabitants of the residents prior to the visit.

1 And Mr. Scott must report and disclose to pretrial  
2 services when any cohabitant of the residence, including  
3 himself, may be symptomatic of any illness.

4 I will require that Mrs. Scott also submit her  
5 passport to pretrial services.

6 I will ask the government. Do you want him to put up  
7 the Coral Gables apartment?

8 MR. FOLLY: Your Honor, I think we would ask that it  
9 be put up.

10 THE COURT: Very well. The apartment will be put up.

11 Mr. Garvin, how long will that take?

12 MR. GARVIN: Your Honor, I think that we might be able  
13 to accomplish that in 48 hours. Because everybody is working  
14 remotely, we have to prepare a mortgage in favor of the  
15 government. I'm not a real estate attorney. So I'll have to  
16 seek guidance on that.

17 THE COURT: Okay.

18 MR. DEVLIN-BROWN: This is Mr. Devlin-Brown. I think,  
19 given all the uncertainties, we might want more than 48 hours,  
20 or I think we'll probably be back here in 48 hours. I also  
21 would like clarification from the Court.

22 When you say "put up the property," does that mean a  
23 mortgage in the amount of \$750,000?

24 Is the Court ordering the mortgage to be in a higher  
25 amount?

1           Whatever the case is, we just want to get it right.

2           THE COURT: Well, right now what's the cash bail that  
3 was in place before he was remanded?

4           MR. DEVLIN-BROWN: \$750,000.

5           THE COURT: What was the total amount? \$750,000 to  
6 secure it.

7           But what was the total amount?

8           MR. DEVLIN-BROWN: I believe it was \$2.5 million, your  
9 Honor.

10          THE COURT: Okay. Then the apartment should be put up  
11 to secure the \$2.5 million. I'm not going to require that that  
12 be done before he's released. So he can be released when the  
13 other conditions are met, but I will direct counsel to post  
14 that property as soon as possible.

15          MR. GARVIN: Your Honor, if I may interject. In lieu  
16 of doing a mortgage, given the Court's ruling, it may be  
17 simpler just to do a deed made out to the United States  
18 government that can be recorded in the event that he breaches  
19 any condition.

20          MR. DiMASE: Your Honor, it's Chris DiMase. Actually,  
21 I think that's the only way it can be done, in light of the  
22 restrictions on the use of primary residences in Florida. I  
23 actually dealt with this very issue in another case.

24          So the only way to do it is to execute a mortgage deed  
25 in the government's favor that can be filed at some point down

1 the road. Florida is not going to allow a lien or another  
2 encumbrance on the primary residence.

3 MR. GARVIN: I don't think you meant to say "mortgage  
4 deed." I apologize for interrupting you here, Chris. I think  
5 it would be in the form of either a warranty deed or a  
6 quitclaim deed, not a mortgage. There is no other lien that  
7 can be placed on that.

8 MR. DiMASE: I think it can only be up to the value of  
9 the property itself. So I think if it's \$1.6 million, it could  
10 probably only be \$1.6 million as opposed to \$2.5 million,  
11 although Mr. Garvin may have some other understanding.

12 MR. GARVIN: Yes. What I'm saying is that there is no  
13 prohibition to a husband and wife selling their property for  
14 any price that they want, even a dollar.

15 So what I would propose is that we would have a  
16 warranty deed that would be made out to the United States  
17 signed by both the husband and the wife, and then that document  
18 would be simply recorded if there was any violation of the  
19 bond.

20 You wouldn't have to go through a mortgage and then a  
21 foreclosure and all of that. You simply record the deed, and  
22 the deed would be in the possession of the government.

23 THE COURT: Very well. Any questions?

24 MR. GARVIN: No, sir. Not from Mr. Scott's side.

25 MR. DiMASE: No, your Honor.

1 THE COURT: So, Mr. Garvin and Mr. Devlin-Brown,  
2 please move expeditiously to prepare the warranty deed, period.  
3 We're adjourned. Thank you, folks.

4 (Adjourned)